



Keep your donors Build profitable relationships that last

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Fundraising is like any other business: customer loyalty is the Holy Grail.

The local butcher needs loyal customers to flourish. The baker requires repeat customers to stay open. And charities need loyal donors to survive and thrive.

That's the job of fundraising: Finding and retaining customers. We just call them donors. But they are customers, just the same. And loyalty is what matters.

You keep your donors by focusing on them. First, you develop loyal donors by operating as a donor-centered organization. Next you launch a comprehensive relationship-building program to nurture the relationship. Your relationship-building program includes two key elements: donor-centered communications and extraordinary experiences for those donors.

Operating as a donor-centered organization

Everyone understands the concept of customer-centered. It's old news, really. So charities need to get up to speed and embrace donor-centrism.

"Donor-centric" is another way of saying "building trust." A donor's relationship with your organization deepens or frays mostly based on how much trust you can create. Trust that:

- Donors play an essential, vital, central role in your mission's success.
- Your organization does worthwhile things with donor gifts.
- Your organization conducts its operations efficiently.

Sadly most organizations focus on their own needs and why their good work requires donations. That's not good!

The donor-centered organization puts the donor at the center. "Because of your gifts, XX organizationn do this vital work." "Your gifts created a comfortable home for our elders." "With your gift our elders live dignified, secure, and healthy lives." "Because of you, the donor, XX organization challenges age discrimination in the Sudan."

What research says

To understand what donor-centered means, read Adrian Sargeant's¹ research about what donors want. Sargeant found that the following matter in the fundraising relationship:

¹ Adrian Sargeant is considered one of the world's leading fundraising researchers. Follow his research. Read his books: *Building Donor Loyalty* (co-authored with Elaine Jay) and *Fundraising Principles and Practice* (co-authored with Jen Shang and several others).

thanking donors for their gifts; informing donors how their money is spent; responding quickly when donors contact the organization; being polite in communications; and more. Sargeant's research also tells us that the overall perception of service quality provided by the fundraising department dramatically affects donor retention.

Creating relationships that last

So first you behave in a donor-centered manner.

Then you build relationships between the donor and the organization, the cause of elder rights and elder care. You engage donors in "a fight they can win." You make donors part of the team fighting to overcome discrimination against elders, fighting against the poverty of elders.

Remember: Your fundraising program must include a comprehensive relationship-building program. You cannot just solicit. You strengthen the relationship to retain the donor, to nurture loyalty. Your relationship-building program includes two components: donor-centered communications and extraordinary experiences.

Donor-centered communications includes some form of regular donor newsletter. The donor is the hero in this newsletter. Of course, include a gift response mechanism. And if your donor-centered newsletter is truly donor-centered and really good, you can sometimes make more money there than in a direct mail letter.

But relationship building is more than the donor newsletter. Relationship building includes offering your donors some extraordinary experiences beyond the newsletter.

What's an extraordinary experience? Something that makes the donor feel special. A memorable moment that the donor describes to someone else. A chance to get closer to the cause.

Ask yourself – as a donor to some cherished cause – when did you feel like you mattered the most? When did you feel like a hero? When did your cherished cause offer you an extraordinary experience?

Consider experiences like these for your donors:

- Thank-you call from a board member
- Insider update gathering explaining how XX organizations spends donor money, describing your impact as a donor
- Gathering to talk with some of the beneficiaries that your gift helped
- Invitation to share your philanthropic story as a donor – and maybe this is published in the donor newsletter or annual report or posted on the website

Keep your donors by building relationships that last

Think about this statement from British architect Sir Denys Lasdun (1914 - 2001): "Our job is to give the client not what he wants but what he never dreamed that he wanted; and when he gets it, he recognizes it as something he wanted all the time." Just substitute "donor" for "client."

Loyalty is the Holy Grail of fundraising. You produce that loyalty by operating as a donor-centered organization – and by executing a comprehensive relationship-building program that includes donor-centered communications and extraordinary experiences.

Does your organization do that?

Additional resources – just the tip of the iceberg

- *Relationship Fundraising*, Ken Burnett
- *Building Donor Loyalty*, Adrian Sargeant and Elaine Jay
- *Keep Your Donors: The Guide to Better Communications and Stronger Relationships*, Simone Joyaux and Tom Ahern
- Showcase of Fundraising Innovation and Inspiration, www.sofii.org
- Free e-news about how to produce the best donor-centered communications. Extensive archives. See, for example, Issue 13.9, May 7, 2013, about donor newsletters. www.aherncomm.com.
- Weekly blog and monthly e-news with tips about fundraising, boards, planning and more. Free Download Library with handouts and articles. www.simonejoyaux.com.